

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
JOANN INC., <i>et al.</i> ¹	Case No. 25-10068 (CTG)
Debtors.	(Jointly Administered)
	Re: Docket No. 788

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF MARPLE XYZ
ASSOCIATES, L.P. TO THE PROPOSED REJECTION OF THE UNEXPIRED
LEASE AT 400 S. STATE RD, SPRINGFIELD, PA 19064
AND THE ABANDONMENT OF PROPERTY**

Marple XYZ Associates, L.P., as the landlord (“Landlord”) of Store No. 2111 located at 400 S. State Rd, Springfield, PA 19064 (the “Premises”) under that certain Lease Agreement dated February 14, 2005, as amended and modified by (a) First Amendment to Lease Agreement dated March 26, 2010, (b) Letter Agreement dated April 8, 2010, (c) Letter Agreement dated August 25, 2011, (d) Settlement Agreement dated February 20, 2013, (e) Second Amendment to Lease Agreement dated May 1, 2020, and (f) Third Amendment to Lease dated April 21, 2022 (collectively, the “Lease”) with debtor Jo-Ann Stores, LLC (the “Debtor”), by and through its undersigned counsel, files this limited objection and reservation of rights in response to the *Ninth Notice of Rejection of Certain Executory Contracts and/or Unexpired Leases* [D.I. 788] (the “Rejection Notice”),³ and in support thereof, respectfully states as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: JOANN Inc. (5540); Needle Holdings LLC (3814); Jo-Ann Stores, LLC (0629); Creative Tech Solutions LLC (6734); Creativebug, LLC (3208); WeaveUp, Inc. (5633); JAS Aviation, LLC (9570); joann.com, LLC (1594); JOANN Ditto Holdings Inc. (9652); Dittopatterns LLC (0452); JOANN Holdings 1, LLC (9030); JOANN Holdings 2, LLC (6408); and Jo-Ann Stores Support Center, Inc. (5027). The Debtors’ mailing address is 5555 Darrow Road, Hudson, Ohio 44236.

LIMITED OBJECTION

1. While the Landlord does not object to the Debtor's decision to reject the Lease, it does object to the Debtor's request to surrender the Premises in any way inconsistent with the terms of the Lease. *See* Rejection Procedures Order [D.I. 429]. Specifically, the Premises were surrendered in disarray, with an excessive amount of trash and damaged personal property remaining on the premises.

2. Section 32 of the Lease requires that the Debtor must leave the Premises in "as good condition and repair as the same are in on the Commencement Date." Further, in accordance with Section 18 of the Lease, Tenant is responsible for maintaining the Premises "at its sole cost and expense, in an attractive, clean and sanitary condition."

3. Additionally, as stated in Section 17(b) of the Lease, any damage resulting from the removal of signs, furnishings, trade fixtures, inventory, equipment and other removeable property installed in the Premises by Debtors must be repaired by the Debtors at the Debtors' cost. Further, Section 17(c) of the Lease requires Debtor, at its expense, to "immediately repair and otherwise make good any damage occasioned to the Premises or Shopping Center by reason of installation or removal of any personal property".

4. Landlord has received estimates to remove signage, dispose of property abandoned by Debtor, and clean the Premises, amounting to almost \$30,000.

5. The Landlord should not be required to bear the significant cost to remove personal property, FF&E of the Debtor, or otherwise clean up the Debtor's trash. To the extent that the Premises are not returned to the Landlord in the condition as required by the terms of the Lease, the Landlord object to the Debtors' proposed effective date of rejection (April 30, 2025) and reserves all rights to assert an administrative expense claim for hold-over rent and/or damages.

RESERVATION OF RIGHTS

6. The Landlord reserves all rights to amend or supplement this objection as well as any additional grounds for objections to the Motion at the final hearing.

CONCLUSION

WHEREFORE, the Landlord respectfully requests the Court require to the Debtors to return the Premises in the condition as required for under the Lease and grant such other relief as the Court deems just and proper.

Dated: May 9, 2025

BURR & FORMAN LLP

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